is manipulation, and not speculation, which is detrimental to the functioning of the market. The regulator, Securities and Exchange Board of India (SEBI) is concerned only with price manipulation. If any, SEBI keeps a constant vigil on the market, irrespective of the levels of the indices and has taken action wherever warranted.

Loans to Self Help Groups

1129. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry is aware that the State Government of Andhra Pradesh is giving loans to Self Help Groups (SHGs) at 25 paise and has also decided to extend the same to farmers in the State and has sought help from the Central Government;

(b) if so, the details thereof; and

(c) what action his Ministry has taken or proposed to take on the above request?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Government of Andhra Pradesh has introduced interest subsidy from 01 July 2004 for prompt repayment of bank loans by the Self Help Groups (SHGs) availed directly from banks or through SHG Federation. The objective of the scheme (called "Pavala Vaddi" Scheme i.e. 25 paise interest) is to provide loans to SHGs at 3% per annum.

The details of the Pavala Vaddi Scheme are given below:

* All the groups that have availed loan from banks under SHG-Bank Linkage programme after 01 July 2004 are eligible for interest subsidy.
* The groups have to repay the loans as per the schedule negotiated with banks.
* In case any group defaults in repayment of interest/principal for more than three months, SHG becomes ineligible under the scheme.
* Government may reimburse the interest burden of the groups over and above 3% per annum charged by the banks. The subsidy amount is to be directly credited to the savings bank account of the eligible groups.

Subsidies for bridging economic disparities

1130. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Prime Minister, while speaking at Golden Jublee celebrations of the Institute of Economic Growth (IEG) in New Delhi on 15th December, 2007 expressed the views that subsidies meant to bridge economic disparities, were not reaching the poor;

(b) if so, how much amount by way of subsidies in food, fertilizers and petroleum (item-wise) was sanctioned/spent by Government during last two years, till date; and

(c) what steps Government has taken so far against a subsidy regime which did not address objective of equity and efficiency and even failed to plug leakages?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Prime Minister, while speaking at Golden Jubilee celebrations of the Institute of Economic Growth (IEG) in New Delhi on 15th December, 2007 had said, "I find